BOB F. ANDERSON, PE, INC.

PETROLEUM ENGINEERS & CONSULTANTS TELEPHONE (318) 425-4230 FACSIMILE (318) 222-1054 email: bfandpe@aol.com

October 7, 2004

Honorable James H. Welsh, Commissioner of Conservation Office of Conservation P. O. Box 94275 Baton Rouge, LA 70804-4275

Re: APPLICATION FOR PUBLIC HEARING

Proposed Units Glen Rose Zone, Reservoir A GR RA SUA thru GR RA SUE Caspiana Field, DeSoto Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of CARUTHERS PRODUCING COMPANY, INC., (Applicant) to the Commissioner of Conservation for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Glen Rose Zone, Reservoir A, Caspiana Field, DeSoto Parish, Louisiana:

- 1. To create five (5) 160 +/- acre drilling and production units for the exploration for and the production of gas and condensate for the Glen Rose Zone, Reservoir A, in the Caspiana Field, DeSoto Parish, Louisiana, such units to be designated GR RA SUA thru GR RA SUE, such units being shown on the attached plat and being made a part hereof.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract to share in the unit production on a surface acreage bases of participation.
- 3. To require future wells drilled to the Glen Rose Zone, Reservoir A, to be located 330 feet from unit lines and 1,320 feet between wells.
- 4. To designate Caruthers Producing Company, Inc., as the unit operator for the proposed GR RA SUA, GR RA SUD and GR RA SUE.
- 5. To designate the Caruthers Producing Company, Inc. Leftridge No. 1 Well as the proposed unit well for the GR RA SUA, their Flanagan Et Al No. 1 Well as the proposed unit well for the GR RA SUD and their Pure No. 1 Well as the proposed unit well for the GR RA SUE.

- 6. To provide for a reclassification of the reservoir if the producing characteristics should change without the necessity of a public hearing if evidence is presented to and accepted by the Commissioner of Conservation to warrant such change.
- 7. To consider and cover such other matters as the Commissioner of Conservation may deem pertinent and appropriate.

The Glen Rose Zone, Reservoir A, in the Caspiana Field, DeSoto Parish, Louisiana, is defined as that gas and condensate productive interval encountered between the depths from 3,510 feet to 4,080 feet (electric log measurements) in the Caruthers Producing Company, Inc. – Flanagan et al No. 1 Well. located in Section 22, Township 15 North, Range 14 West, DeSoto Parish, Louisiana.

The pertinent data pertaining to this application is available for inspection at the Offices of Bob F. Anderson, PE, Inc., 400 Travis Street, Suite 209, Shreveport, Louisiana 71101. Any person wishing to inspect such data should call Bob Anderson 318/425-4230 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data that is otherwise not available from the Office of Conservation can be obtained at the expense of the requesting party.

A conference to discuss the proposed application was held on Monday, October 4, 2004, and the list of parties attending the conference is attached. After discussing the proposed Applicants application and presentation of the Geology by Mr. Jeff Thompson, Mr. William Timothy Allen, III, representing Jackson B. Davis, et al, stated his client opposed the proposed 320-acre units, and recommended a pattern of 160-acre units. Mr. Allen stated that if 320-acre units were applied for, he would file a counter plan on behalf of his clients to propose the creation of 160-acre units. After discussing the proposed 160 acre units as presented by Mr. Allen on behalf of his client, the Applicant agreed to revise their request to establish a pattern of 160 +/- acre units as shown on the plat attached. This comprise will eliminate a contested hearing. The other parties attending the conference expressed no opposition to the revised units.

Pursuant to the revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Interested Parties and Represented Parties to whom this notice of this intended application is being sent. A copy of this letter and the attached plat is being sent to the District Manager of the Shreveport District Office of Conservation and to the Interested Owners, Represented Parties and the Interested Parties as shown on the attached list.

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Attached hereto is our check, made payable to the Office of Conservation, to cover the applicable hearing fee.

Yours truly,

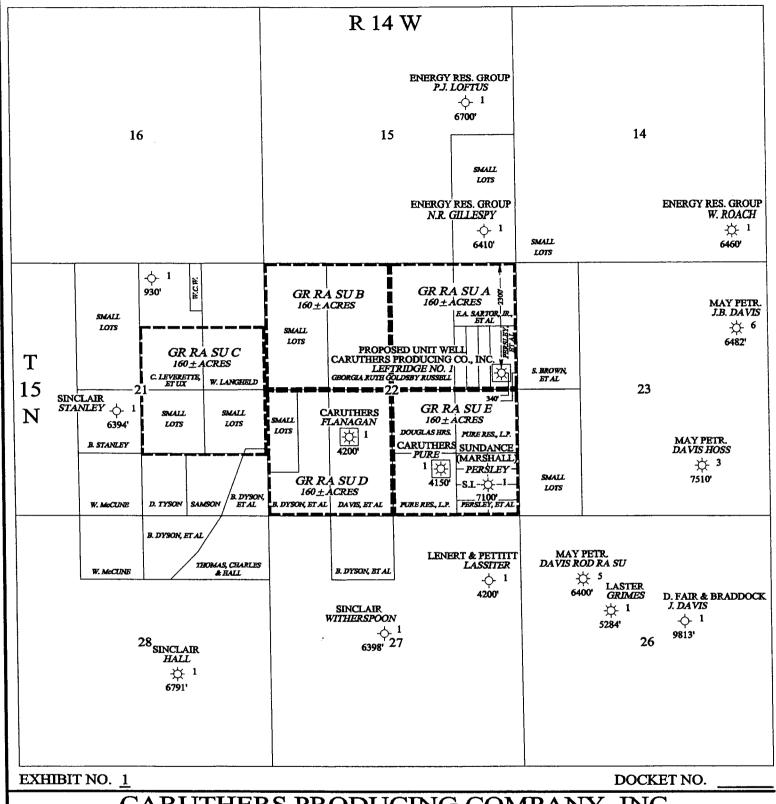
B. F. Anderson, PE for

CARUTHERS PRODUCING COMPANY, INC.

cc: Mr. James Broussard, District Manager Shreveport District Office of Conservation (w/encl.) Interested Owners, Represented Parties and Interested Parties (wo/encl.)

Caruthers Producing Company (w/encl.)

Parties Attending Pre-Application Conference



CARUTHERS PRODUCING COMPANY, INC.

SHREVEPORT, LOUISIANA

CASPIANA FIELD

DESOTO PARISH, LOUISIANA

PROPOSED GLEN ROSE RESERVOIR A SAND UNITS GR RA SU A thru GR RA SU E

:PROPOSED UNIT WELL

----: PROPOSED GLEN ROSE RESERVOIR A SAND UNITS

0' 1000' 2000' 3000' 4000' GRAPHIC SCALE